

## Development Grants Program Info Session for Local NGOs

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### *Information provided at the Session:*

The DGP is an initiative to increase USAID's engagement with US PVOs and local NGOs that have limited experience managing USAID direct grants.

An applicant must be a Local Non-Governmental Organization (NGO) organized under the laws of Georgia and may not have received more than \$5M in USAID funding, whether direct or indirect, during the past 5 years. Subawardees are also subject to these requirements.

USAID will consider concepts for activities in Georgia within the areas of Microenterprise, Women's Empowerment and Environment. Descriptions of the activities that can be undertaken in these sectors under the DGP can be found in Appendices A-G of the APS. The USAID/Georgia Mission's priorities for DGP activities in these sectors are outlined in the one-page information sheet (a link is provided on the USAID/Georgia website under the "Procurement" section at <http://georgia.usaid.gov/index.php?m=11>.)

Awards for local NGOs will range from \$50K to \$500K and will be for a life of project period of 3 years. Activities are expected to begin in 2009.

All awards will be made on a competitive basis.

The evaluation of proposals will involve a two-step process. **First, interested organizations will submit a concept paper that outlines the activity being proposed. The instructions for concept paper submission can be found on pages 19-21 of the APS. The deadline for concept papers is November 5, 2008 at 5 pm US eastern time.** Concept papers will be evaluated in accordance with the evaluation factors described on page 21 of the APS.

USAID/Georgia will select among the concept papers for Step 2 consideration and will invite those organizations to submit a full application. **Only those organizations that are requested by USAID in writing to do so should submit full applications.** The instructions for submitting a full application can be found in the APS beginning on page 22. Full applications will be evaluated in accordance with the evaluation factors stated on page 33 of the APS.

## Quick Reference for USAID Policy and Regulations under Assistance Agreements

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- ♦ **USAID Automated Directives System (ADS) Chapter 303  
Grants and Cooperative Agreements to Non-Governmental Organizations**  
<http://www.usaid.gov/policy/ads/300/303.pdf>
- ♦ **22 CFR 226 Administration of Assistance Awards to U.S. Non-Governmental Organizations  
(These principles are also generally applied to Non-US NGOs through Standard Provisions)**  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_05/22cfr226\\_05.html](http://www.access.gpo.gov/nara/cfr/waisidx_05/22cfr226_05.html)
- ♦ **22 CFR 228 Rules on Source, Origin and Nationality for Commodities and Services Financed by USAID**  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_05/22cfr228\\_05.html](http://www.access.gpo.gov/nara/cfr/waisidx_05/22cfr228_05.html)
- ♦ **OMB Circular A-122 Cost Principles for Non-Profit Organizations**  
<http://www.whitehouse.gov/omb/circulars/a122/a122.html>

## *Questions and Answers*

1. Where can I find more information about the Development Grants Program?  
**The Annual Program Statement, which includes a detailed description of the program and submission details, can be found at [www.grants.gov](http://www.grants.gov) under Funding Opportunity Number: M-OAA-GRO-ALPS-09-001-LOCAL or key word “DGP”. Additional information can be found on the USAID/Georgia website under the “Procurement” section at <http://georgia.usaid.gov/index.php?m=11>.**
2. In the Announcement there was stated that "Priority will be given to NGOs that have had either limited or no prior funding from USAID". Our question is whether the above concerns only direct grants from USAID to local NGOs or it also implies USAID grants received by local NGOs through sub-granting from International NGOs?  
**NGOs that have received \$5,000,000 or less in the aggregate from USAID during the past five year period will be considered eligible for the DGP. This includes any type of assistance from USAID in the aggregate including grants, contracts, subgrants, subcontracts, cooperative agreements or other funds.**  
  
**This criterion applies not only to the principal Applicant but to any organization with which the principal Applicant may chose to enter into subaward, subgrant or partnership.**
3. Is it possible to establish a guarantee fund within the project framework to motivate financial institutions that they gave micro-loans to women who undergo professional training in start-up business?  
**No, this program will not include guarantee funds. USAID already has a program, Development Credit Authority, that provides guarantees to commercial financial institutions to encourage lending in specific sectors.**
4. Is it possible to include re-granting component in the proposed project?  
**Sub-granting components may be considered. However, subgrants must be awarded and managed in accordance with USAID regulations and policies. USAID would have to examine the proposing organization’s capacity to determine whether the organization has the experience and institutional capacity to manage such an activity.**  
  
**One of the things that organizations should bear in mind is, if your proposal will involve either sub-granting or sub-contracting, the conditions that will be imposed on your organization to qualify to receive funding from USAID will also apply to sub-grantees. For example if a sub-grantee spends money inappropriately, USAID will come back to your organization and not to the sub-grantee to recover the money. So it is a much higher risk for an organization to have a program that involves sub-grants.**
5. Is it possible to finance establishment of small loan fund to finance start up businesses?  
**This type of activity may be considered. However, the establishment and management of a loan fund must be in accordance with USAID regulations and policies. USAID would have to examine the proposing organization’s capacity to determine whether the organization has the experience and institutional capacity to manage such an activity.**
6. What is the maximum amount for each grant?  
**NGOs may apply for grants ranging from \$50K to \$500K.**
7. What is amount of financial aid for local NGOs (minimum/maximum)?  
**See answer to Question #5.**
8. What are the time borders for the project implementation?  
**Awards will be made for a maximum three-year period and are anticipated to begin in 2009.**
9. What is the possible maximum duration of each project?  
**See answer to Question #7.**

10. What is the deadline for grant applications and then we will know what projects are financed?  
**The DGP entails a two step process. Initially, organizations must submit concept papers. The first due date for Concept papers is November 5, 2008 at 5:00 pm US Eastern time. These concept papers will be reviewed and only selected organizations with the best concepts will be invited in writing to submit full applications. This written invitation to organizations whose concepts were selected for Step 2 consideration will specify the deadline for submitting the full application.**
11. Under the Development Grants Program do you finance projects related to Democracy and Governance?  
**USAID will consider activities in the areas of Environment, Women's Empowerment and Microenterprise in Georgia. Please refer to Appendices A-F of the APS and to the one-page sheet defining Mission Priorities for more specific information.**
12. What kind of activities can be financed by this program?  
**See answer to Question #10.**
13. As we see from the description of the Development Grants Program, it may involve technical assistance, training, commodity support etc. What kind of technical assistance does this program involve? For instance, can you offer us satellite images of the destroyed forest?  
**USAID will provide NGOs with necessary capacity-building support to enhance their organizational and technical capacities to implement their program effectively.**
14. What kind of training do you offer?  
**See answer to Question #12.**
15. Is it possible for several NGOs to apply with one common project and what are the procedures?  
**Yes. However, the concept/application should be organized so that one organization is designated as the prime recipient and the other organizations are designated as sub-grantees under that prime recipient. Please see the APS for specific instructions.**
16. What types of costs are covered by the grant?  
**Grants under this APS will cover costs that are reasonable, allocable and allowable in accordance with USAID regulations and policies. Please see the Quick reference sheet provided.**
17. Does grant cover the visit of an international expert?  
**This type of activity could be considered if appropriate and if it supports the objectives of the program.**
18. Can grant be used for study tours in USA (as a complementary part of a program)?  
**This type of activity could be considered if appropriate and if it supports the objectives of the program.**
19. Will there be opportunity to receive instructions to how to fill out correctly grant application package form?  
**No. The APS provides detailed instructions on how to structure both concept papers and full applications.**
20. What are the requirements for bidders' registration? Is it correct that bidders should have three years registration history?  
**No. An organization must be registered by the time of Concept Paper submission.**
21. Can one organization submit multiple concept papers?  
**Yes, but USAID suggests that organizations focus on putting together a quality concept paper, rather than focus on writing multiple concepts. This is especially important taking into consideration that organizations will be competing for a limited amount of money. Applicants should try to make a best effort under the given competitive process.**
22. What should the concept paper contain?

**The APS contains specific instructions on the content requirements of concept paper.**

23. Can local/foreign consultants be hired?

**Yes. The manner in which applicants structure their programs is up to them and it might require bringing in some consultants or experts if that would support the objectives of the program. However, one of the things USAID looks for is reasonableness of cost. Part of the effort here is to develop local organizations and local capacity. That may involve bringing in outside expertise, but USAID would also like to see local expertise used to the maximum extent possible, which is generally much more cost effective.**

**You can also work with local commercial organizations/consulting firms, or expatriate. However, the prime applicant who is applying for funding can not include profit or a fee in its cost structure. If you hire local commercial organization, we understand that organization works on a for-profit basis. Commercial subcontractors may be paid some fee or profit as part of their cost as long as it's reasonable.**

24. How should budget be presented on concept paper?

**For concept paper stage only summary budget is required. Please refer to the APS for instructions.**

25. How much time is given for preparation of a complete application?

**USAID will invite only those organizations that have been selected for Step 2 consideration to submit a full application. The timeframe for submitting full applications after an organization has been notified has not been determined yet but USAID will inform organizations in writing of the due date for the full application. Generally, USAID allows between 30-60 days for full applications.**

26. Is development of new projects/organizations financed under this program?

**This type of activity may be considered as long as the program is in line with USAID's priorities for Environment, Women's Empowerment and Microenterprise and the objectives of the program support USAID's and Georgia's development objectives.**

27. How should DUNS number be obtained and when is it required?

**There is a requirement that when you do business with the US government, every organization should have a specific identifier, called DUNS number. At the concept paper stage, this number is not required but if an organization is selected for an award there will be a requirement to be registered to obtain a DUNS number. There is an online registration process.**

28. What is an accepted way of submitting concept paper?

**You must submit your Concept Paper to two different recipients: electronically to the USAID Mission in Tbilisi at [RCOCAUCASUS@usaid.gov](mailto:RCOCAUCASUS@usaid.gov) and electronically to the Office of Development Partners in Washington via the e-mail addresses provided in the APS. In addition to the electronic submissions, hard copies may be submitted to the USAID Mission in Tbilisi. Do not submit your applications through [www.grants.gov](http://www.grants.gov).**

29. Who can be addressed if any questions emerge during the concept paper stage?

**USAID will not address any further questions regarding concept paper submissions after October 7, 2008. The information session was held in order to answer questions and to resolve issues. This document represents all of the questions and answers that were received by USAID/Georgia in regard to this program and it is posted on our web-site, so that everybody can have a written version of what was discussed. But after October 7<sup>th</sup>, organizations are on their own and with a deadline of November 5<sup>th</sup>.**

**USAID's procedure for providing assistance is different from other USG agencies that may be simpler. We recommend you to go to our web-page, to the links that we shared with you, spend some time there and get familiar with the guidance and information provided. Refer to the APS document for specific instructions on how to submit concept papers and applications.**

30. What is USAID doing in the Caucasus?  
**The web-sites provide complete information on what USAID/Caucasus, which includes Georgia and Azerbaijan, and USAID/Armenia are doing. But in regard of this particular award amount, it has to benefit Georgia only. Multi-country programs will not be considered.**
31. If more information needed, who can we contact directly?  
**This is a competitive process and to repeat what was said above, today's session is the only information session we are going to provide. After this session you should not try to pursue separate communications with people from USAID. We are providing everyone the same information. If there are subsequent questions coming in, we are not going to respond to them as it may advantage one organization over another.**
32. Can partnerships participate?  
**You can set up some kind of partnership or joint venture but only one organization's name can be on the application. One organization should be designated the prime organization and the others as sub-grantees. And it should be made clear what the roles are and who is in charge, as that will be the organization that will be evaluated in regard to its capacity to manage the funds.**
33. Can we purchase car/apartment with the money awarded?  
**Yes, as long as it is necessary for the program and it is clear that this is for the benefit of the program.**
34. Can we combine the components, e.g. women empowerment and micro enterprise?  
**Yes.**
35. Can we include training component in concept paper?  
**Yes, as long as it's reasonable and supports the objectives of the program.**
36. You have mentioned that as a prerequisite for successful application bidders should have links with existing USAID programs and projects. How strong these links should be demonstrated in CP? Will it be enough just to list what these links might be or there's a need for reference letters from these projects.  
**We are not asking you to get letters of endorsement from other projects or ministries. What we want to see is that you are aware of what USAID and its partners are doing and that your organization has identified a gap and has the capacity to make a complementary contribution where that gap exists.**
37. How long will it take to review the concept papers and get to the next stage?  
**Organizations will be informed within 90 days of the submission deadline for concept papers (November 5, 2008) regarding whether or not their concept paper was selected for Step 2 consideration.**
38. How does USAID define a "microenterprise"?  
**In the context of the DGP program, microenterprises are defined as small-scale, often informally organized business activities undertaken by poor people with 10 or fewer workers including the microentrepreneur and any unpaid family workers. USAID supports three types of activities: (1) microfinance, to improve access to financial services tailored to the needs of poor households, including credit, deposit services, insurance, and remittance and payment services; (2) efforts to reduce regulatory, policy and administrative barriers that limit the opportunities of micro- and small firms; and (3) enterprise development, to improve productivity and market potential for microenterprises.**